GOVERNMENT OF INDIA
PLANNING
LOK SABHA

UNSTARRED QUESTION NO:4250
ANSWERED ON:23.04.2008
RELEASE OF FUNDS TO STATES FOR DEVELOPMENT PROJECTS
Rao Shri Kavuru Samba Siva

Will the Minister of PLANNING be pleased to state:

(a) the amount of funds released and utilised for developmental projects during the last three years to each State, State-wise;

(b) the States falling short of targets on developmental projects and non-utilisation of Plan allocations released to them;

(c) whether the Government proposes to formulate a new policy to establish link between the release of funds to States and targets achieved at regional and sub-regional level and intervene to ensure corrections where States falter in achieving targets set against the allocation of funds made;

(d) if so, the details thereof; and

(e) if not, the reasons therefor?

Answer

MINISTER OF STATE IN THE MINISTRY OF PLANNING AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS(SHRI V. NARAYANASAMY)

(a) & (b) : Planning Commission does not provide project-wise funds to the States while approving their Annual Plans. The details of plan outlay approved by Planning Commission and actual expenditure during the last three years (i.e. 2005-06, 2006-07 and 2007-08) State-wise and year-wise is at Annexure.

(c) to (e) : The responsibility of spending State's Annual Plan funds lies with the State Governments. A proportionate cut is made in Normal Central Assistance to States based on the shortfall in expenditure vis-Ã -vis Revised/Approved Outlays. No new policy is proposed to estimate a link between the release of plan assistance and the achievement of targets at regional and sub-regional level.